deliberately engineered by the Fed. We need to be very careful, however, on fiscal policy which we control not to put this country back in the same peril of budget deficits in the future. It would be very irresponsible to begin permanently disposing of a surplus that is projected in the future but that has not yet occurred.

If we have a surplus, and I hope we do, that results from a growing economy, a fair amount of it ought to be used to reduce Federal debt. If during tough times we run up Federal indebtedness, during good times surely we must pay it down. What better gift to America's children than that? If we have surpluses in the future, and I hope we do, some of it, in my judgment, can and should go back to the American and should go back to the American families who pay their taxes and could use some tax relief, but not just with a formula that deals with income taxes.

Most Americans pay more in payroll taxes than income taxes. If we are going to send money back in the form of tax relief—and we should if we have these surpluses, after we have allocated some to reducing the Federal debt—then let us make sure we understand we send it back based on the total tax burden the American families face, and that includes the payroll tax.

Finally, if we have surpluses—and I hope we will—some of it should be devoted as well to the investments in the things that make America a better place in which to live: Sending our kids into the best classrooms in the world, building our infrastructure, providing for our health, and those kinds of issues as well.

Mr. President, you have been generous with time today.

Again, let me hope that this day ends with good news for all of us in our ability to organize. We will continue these debates later in January.

I yield the floor.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDENT pro tempore. In accordance with the unanimous consent request previously granted, the Senate now stands in recess awaiting the call of the Chair.

Thereupon, at 11:11 a.m., the Senate recessed until 2:34 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. DORGAN).

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, Senator LOTT and I have been continuing in our discussions and negotiations throughout the day. We have reached an agreement, and we are now in a position to lay the resolution before the body. It is my intention to have a vote—as I understand it, there is no request for a rollcall vote—at 3:30 this afternoon. So I encourage those Senators who wish to participate in the debate, or to present their views, to come

to the floor between now and 3:30. At that time, I will ask that the Senate vote on the organizing resolution.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the vote occur at 3:30 and that it be a unanimous-consent request for a voice vote.

The PRESIDING OFFICER. Is there objection?

Mr. LOTT. Reserving the right to object, Mr. President, and I will not object.

Mr. DASCHLE. Mr. President, I ask the request be vitiated.

The PRESIDING OFFICER. The request is so vitiated.

Mr. LOTT. Mr. President, if I could be recognized at this point, I do want to say I was certainly willing to cooperate with that. I have asked if there is a Member who feels the necessity of a recorded vote. I have not been so notified. I want to make sure Members understand we anticipate there will be a voice vote. However, there will be opportunity for debate and a colloquy which Senator DASCHLE and I will have between now and 3:30.

So Members can have some idea of what to expect, we do expect to have the vote around 3:30. In the debate or comments that will need to be put in the RECORD, they can still be made after that. But between now and that time, we still have an opportunity for Members to present their statements on the RECORD.

Mr. DASCHLE. I now, again, suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the majority leader

CONDUCT OF A 50/50 SENATE

Mr. DASCHLE. The other day, I quoted the writer Thomas Wolfe who said:

America is not only the place where miracles happen, they happen all the time.

If the resolution I will soon introduce is not miraculous, it is, at the very least, historic. It is also fair and reasonable. The details and the spirit of this agreement, which I expect the Senate to pass later today, should enable us to conduct our Nation's first 50/50 Senate in a most productive and bipartisan manner.

I especially thank the Republican leader, Senator LOTT. We will enter into a colloquy in a period of time to be later determined, but I must say, without his leadership and his sense of basic fairness, this agreement would not have come about. He and I have spent many hours over the last several months, and now weeks, and certainly in the last several days, negotiating the details of this agreement. He spent many more hours consulting with the members of his caucus about it. He and they deserve credit for taking this unprecedented step.

I also thank and commend my colleagues on this side of the aisle for their good counsel and patience as this agreement was negotiated, and for their support of the finished product. I particularly thank our distinguished President pro tempore, ROBERT C. BYRD, for his advice. When you are making history, you can't have a better guide than the man who has literally written the book on the history of the Senate.

Our negotiations involve many difficult issues and many strongly held opinions. Neither party got everything it wanted. Both sides made concessions. Both caucuses made principled compromises. That is the essence of democracy.

This agreement accurately reflects the historic composition of the Senate. More important, I believe it reflects the political thinking of the American people. It calls for equal representation on Senate committees. Every committee would have the same number of Republicans and Democrats. And it specifies that Republicans will chair the committees after January 20. It allows for equal budgets and office space for both caucuses, at 50/50.

One of the most vexing questions we struggled with during our negotiations was how to break ties when committees are divided equally. We have agreed that in the event of a tie vote, either leader can move to discharge a bill or nomination. The Senate will then debate the motion to discharge for four hours, and that time will be equally divided. There will then be a vote on the motion. If the motion passes, the bill or nomination would be placed on the calendar.

Similarly, the resolution allows committee Chairs to discharge a sub-committee in the case of a tie vote and place the legislative item or nomination on the full committee agenda.

We arrived at this process after much thinking and exchange of ideas. Senator LOTT has been concerned that equal representation on the committees could lead to gridlock. While I do not share that concern, I believe this was a fair concession to get this agreement.

As to cloture, the resolution provides that no cloture resolution shall be filed by either party except to end a debate, and in no case would cloture be filed before at least 12 hours of debate.